

INSURER IN ACCEPTING INSURANCE CONTRACTS THAT THE PERSON HAS SOLICITED, NEGOTIATED, OR EFFECTUATED, IF COMMITTED WITH SUFFICIENT FREQUENCY TO INDICATE A GENERAL BUSINESS PRACTICE; OR

(12) HAS HAD A CERTIFICATE OF AUTHORITY REVOKED OR SUSPENDED BY THE INSURANCE REGULATORY AUTHORITY OF ANOTHER STATE.

(C) NOTICE OF REFUSAL TO RENEW, REVOCATION, OR SUSPENSION.

(1) ON REFUSAL TO RENEW, SUSPENSION, OR REVOCATION OF AN INSURER'S CERTIFICATE OF AUTHORITY, THE COMMISSIONER IMMEDIATELY SHALL NOTIFY:

(I) THE INSURER; AND

(II) EACH AGENT OF THE INSURER IN THE STATE OF RECORD IN THE OFFICE OF THE COMMISSIONER.

(2) THE REFUSAL TO RENEW, REVOCATION, OR SUSPENSION OF A CERTIFICATE OF AUTHORITY AUTOMATICALLY SUSPENDS OR REVOKES THE CERTIFICATE OF QUALIFICATION OF EACH AGENT OF THE INSURER IN THE STATE.

(3) THE COMMISSIONER SHALL STATE IN THE NOTICE TO EACH AGENT UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT THE CERTIFICATE OF QUALIFICATION OF THE AGENT HAS BEEN SUSPENDED OR REVOKED.

(4) THE COMMISSIONER MAY PUBLISH NOTICE OF THE REVOCATION OF A CERTIFICATE OF AUTHORITY IN A NEWSPAPER PUBLISHED IN THE STATE.

(D) PENALTY.

INSTEAD OF OR IN ADDITION TO SUSPENDING OR REVOKING A CERTIFICATE OF AUTHORITY, THE COMMISSIONER MAY:

(1) IMPOSE ON THE HOLDER A PENALTY OF NOT LESS THAN \$100 BUT NOT EXCEEDING \$50,000 FOR EACH VIOLATION OF THIS ARTICLE; AND

(2) REQUIRE THE HOLDER TO MAKE RESTITUTION TO ANY PERSON WHO HAS SUFFERED FINANCIAL INJURY BECAUSE OF THE VIOLATION OF THIS ARTICLE.

(E) REGULATIONS ABOUT AGENTS WITHOUT APPOINTMENTS.

THE COMMISSIONER SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF SUBSECTION (B) (11) OF THIS SECTION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, §§ 55A, 56, 51(1), and 55(1), (2), and (4).

The Insurance Article Review Committee notes, for consideration by the General Assembly, that subsection (a) of this section lacks the requirement that the Commissioner give an applicant or holder an opportunity for a hearing before the Commissioner denies, refuses to renew, suspends, or